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LEGISLATIVE HISTORY

Public Law 85-99  
S. 937

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Index and summary of S. 937

Jan. 14, 1957 Rep. Harris introduced H. R. 2808 which was referred to House Interstate and Foreign Commerce Committee. Print of bill.

Jan. 29, 1957 Sen. Magnuson introduced S. 937 which was referred to Senate Interstate and Foreign Commerce Committee. No print of bill.

May 17, 1957 Senate committee reported S. 937 without amendment. S. Report No. 333. Print of bill and report.

May 22, 1957 Senate passed S. 937 without amendment.

May 23, 1957 S. 937 was referred to the House Interstate and Foreign Commerce Committee. Print of bill as referred.

June 11, 1957 House subcommittee ordered S. 937 reported.

June 12, 1957 House committee ordered S. 937 reported.

June 19, 1957 House committee reported S. 937 without amendment. H. Report No. 577. Print of bill and report.

July 1, 1957 House passed S. 937 without amendment.

July 11, 1957 Approved: Public Law 85-99.



DIGEST OF PUBLIC LAW 85-99

FREIGHT RATE CHARGES. Provides for the publication of freight rates by rail and water carriers operating over circuitous routes to meet the charges of carriers of the same type operating over more direct routes without further authorization from the Interstate Commerce Commission. Provides that such rates established over circuitous routes shall not be used as evidence on the issue of the compensatory character of rates involved in other proceedings.







85<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

**H. R. 2808**

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**IN THE HOUSE OF REPRESENTATIVES**

**JANUARY 14, 1957**

Mr. HARRIS introduced the following bill; which was referred to the Committee on Interstate and Foreign Commerce

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**A BILL**

To amend section 4 of the Interstate Commerce Act, as amended.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That section 4 (1) of the Interstate Commerce Act, as  
4       amended (49 U. S. C. 4 (1)), is amended to read as  
5       follows:

6       “(1) It shall be unlawful for any common carrier sub-  
7       ject to this part or part III to charge or receive any greater  
8       compensation in the aggregate for the transportation of  
9       passengers, or of like kind of property, for a shorter than  
10      for a longer distance over the same line or route in the same  
11      direction, the shorter being included within the longer dis-

1 tance, or to charge any greater compensation as a through  
2 rate than the aggregate of the intermediate rates subject  
3 to the provisions of this part or part III, but this shall not  
4 be construed as authorizing any common carrier within the  
5 terms of this part or part III to charge or receive as great  
6 compensation for a shorter as for a longer distance: *Provided*,  
7 That upon application to the Commission and after investiga-  
8 tion, such carrier, in special cases, may be authorized by  
9 the Commission to charge less for longer than for shorter  
10 distances for the transportation of passengers or property,  
11 and the Commission may from time to time prescribe the  
12 extent to which such designated carriers may be relieved  
13 from the operation of the foregoing provisions of this section,  
14 but in exercising the authority conferred upon it in this  
15 proviso, the Commission shall not permit the establishment  
16 of any charge to or from the more distant point that is not  
17 reasonably compensatory for the service performed; and  
18 no such authorization shall be granted on account of merely  
19 potential water competition not actually in existence: *And*  
20 *provided further*, That any such carrier or carriers operating  
21 over a circuitous line or route may, subject only to the  
22 standards of lawfulness set forth in other provisions of this  
23 part or part III and without further authorization, meet  
24 the charges of such carrier or carriers of the same type  
25 operating over a more direct line or route, to or from the

1 competitive points, provided that rates so established over  
2 circuitous routes shall not be evidence on the issue of the  
3 compensatory character of rates involved in other proceed-  
4 ings: *And provided further,* That tariffs proposing rates  
5 subject to the provisions of this paragraph requiring Com-  
6 mission authorization may be filed when application is made  
7 to the Commission under the provisions hereof, and in the  
8 event such application is approved, the Commission shall  
9 permit such tariffs to become effective upon one day's notice."

85TH CONGRESS  
1ST SESSION

**H. R. 2808**

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**A BILL**

To amend section 4 of the Interstate Commerce  
Act, as amended.

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By Mr. Harris

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JANUARY 14, 1957

Referred to the Committee on Interstate and Foreign  
Commerce





# Calendar No. 339

85TH CONGRESS  
1st Session }

SENATE {

REPORT  
No. 339

ALLOWING CIRCUITOUS ROUTES TO COMPETE WITH DIRECT ROUTES WITHOUT PRIOR APPROVAL OF INTERSTATE COMMERCE COMMISSION UNDER THE LONG-AND-SHORT-HAUL CLAUSE OF THE INTERSTATE COMMERCE ACT

MAY 17, 1957.—Ordered to be printed

Mr. SMATHERS, from the Committee on Interstate and Foreign Commerce, submitted the following

## REPORT

[To accompany S. 937]

The Committee on Interstate and Foreign Commerce, to whom was referred the bill (S. 937) to amend section 4 of the Interstate Commerce Act, as amended, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

### I. INTRODUCTION

The purpose of this bill is to allow railroads and other carriers, subject to part I of the Interstate Commerce Act, and water carriers, subject to part III of the act, to establish rates over circuitous routes, regardless of their length, so as to meet competition of the same type over direct routes, without first filing requests for relief with the Interstate Commerce Commission. Under section 4 of the act, a carrier must file for relief with the Interstate Commerce Commission before such rates may be established.

The proposal incorporating the terms of S. 937, which was introduced at the request of the Interstate Commerce Commission, is contained in Interstate Commerce Commission Legislative Recommendation No. 2, page 160, 70th Annual Report to the Congress. Public hearings were held by the Surface Transportation Subcommittee and all desiring to testify were heard.

### II. DISCUSSION OF THE BILL

It was pointed out in the course of the hearings that enactment of S. 937 would eliminate the present necessity (sec. 4 (1), Interstate Commerce Act) of securing prior approval by the Interstate Com-

merce Commission to establish rates over circuitous routes equivalent to the going rates over a more direct route of the same type of carrier when, in the carrier's opinion, such rates are necessary for competitive reasons. Elimination of this provision would enhance the Commission's administrative effectiveness and would enable the carriers to simplify and improve their tariffs to the benefit of the carriers that publish and file the tariffs, the shippers that use them, and the Commission that must administer the terms of the tariff.

Under section 4 (1) railroads and water carriers are now prohibited from charging or receiving any greater compensation for the transportation of passengers, or property, for a shorter than for a longer distance, over the same line or route in the same direction, the shorter being included within the longer distance.

Section 4 (1) also provides, among other things, that, upon application, the Commission may, in special cases, after investigation, authorize such carriers to charge less for the longer than for the shorter distance, and from time to time prescribe the extent to which such common carriers may be relieved from the provisions of the section.

Your committee is informed that generally the Interstate Commerce Commission now allows an additional mileage of from 30 to 70 percent longer than the direct route in granting circuitous route competitive rates.

In the exercise of this authority, however, the Commission may not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed. Nor may it grant such authorization on account of merely potential water competition not actually in existence.

S. 937, it is pointed out, would make the fourth section self-operating with respect to relief for deviations over circuitous routes for competitive reasons. No further authorization from the Commission would be necessary, although other standards of lawfulness set forth in other sections of the act would, of course, have to be observed.

Under existing regulatory policy, rates are initiated by the carriers, and are subject to review by the Commission. This does not mean that the Commission must investigate and pass upon the justness and reasonableness of every rate before it becomes effective. Rates are reviewed whenever their lawfulness is questioned; experience has proved this to be a satisfactory practice. It is reasonable to assume, therefore, that rates published over circuitous routes to meet the rates over the more direct routes would be compensatory and otherwise lawful. Should the lawfulness of such a rate be questioned, it would be subject to specific review, and the Commission would consider its compensatory aspects under the just and reasonable provision of section 1 of the act. If found not to be compensatory, it would constitute an unauthorized deviation from the long-and-short-haul principle, and would therefore be unlawful and not permitted.

The long-and-short-haul clause of the Interstate Commerce Act has been surrounded throughout its history by more controversy than any other provision. A major portion of the congressional debate at the time the original act was under consideration in 1887 was devoted to this clause. In the 10 years that followed, a series of court decisions rendered it ineffectual by interpreting the then statute as permitting the carriers to determine for themselves whether the long-and-short-haul principle was violated. The dissatisfaction with that situation

led to amendments in 1910 and 1920 by which the clause was strengthened, and the Commission was given the primary function of determining whether such rates should be sanctioned.

Since the Commission is constantly seeking assurance that all rates subject to its jurisdiction, including those under consideration here, are not unjust or unreasonable, or unduly discriminatory, prior Commission approval to publish such rates over circuitous routes would seem unnecessary. Enactment of S. 937 has received no opposition by sections of the country vitally interested in retaining the basic protection afforded by section 4.

Experience has shown that action to obtain relief under the existing law has been excessively burdensome to all concerned. It has brought about disproportionate expenditures of time, labor, and funds by both the carriers and the Commission, particularly in view of the relatively few instances where denial of section 4 relief has been warranted. During the year ending October 31, 1956, for example, the carriers filed 1,573 applications for fourth-section relief. Of this number only 87 were denied, the remainder having been granted in whole or in part, either on a continuing or temporary basis. The figures include applications for relief other than over circuitous routes.

For the months of October, November, and December, 1956, a total of 431 fourth-section applications were filed. Of this number 127, or 29.4 percent, sought relief over circuitous routes, and only 7 were denied. On the basis of handling about 459 circuitous route applications per year, it is estimated that enactment of S. 937 would result in considerable monetary savings for the Commission on the basis of present filings. In the past 13 years the number of fourth-section applications has increased almost threefold and there is good reason to believe that this trend will continue.

Enactment of the proposed change would serve to streamline section 4 without disturbing its principal purpose—i. e., control of deviations from the long-and-short-haul principle over direct routes. By materially reducing the size of many tariffs and by simplifying them generally, the benefits of these changes would redound to shippers and other tariff users in substantial degree. The Commission likewise, would benefit by being relieved of the administrative duties that attend the filing of the necessarily complex and cumbersome tariffs incident to obtaining relief under section 4 of the act.

S. 937 would specifically prohibit the consideration of rates so established over circuitous routes as evidence in cases where the compensatory character of other rates is in question.

It has been claimed that enactment of the measure would encourage wasteful transportation by use of excessively circuitous routes when the transportation to be performed could be more economically performed by use of direct routes. The cost of such wasteful operations, it is claimed, would be included in the overall expense of operations of the carriers and must be paid for by users of transportation service. To avoid this so-called waste, an amendment is urged to limit circuity beyond which approval of the Commission would be required for the establishment of a circuitous route.

Your committee realized that in a competitive economy rendering of certain amounts of additional service are often necessary to obtain business from a competitor more favorably located, but this is not necessarily waste. Your committee did not approve this proposal.

## III. AGENCY COMMENTS

The Interstate Commerce Commission requested that the bill be introduced and the Chairman of the Commission testified in favor of its enactment. The Department of Justice favored enactment of the bill. General Services Administration offered no objection to the basic purposes of the legislation but favored amending the proviso in the bill so that rates established over circuitous routes would be evidence on the issue of the compensatory character of rates involved in other proceedings. Your committee did not approve this proposal. The General Accounting Office offered no objection to favorable consideration of the measure.

## IV. CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in brackets; new matter is printed in italics; and existing law in which no change is proposed is shown in roman):

## INTERSTATE COMMERCE ACT

## LONG-AND SHORT-HAUL CHARGES; COMPETITION WITH WATER ROUTES

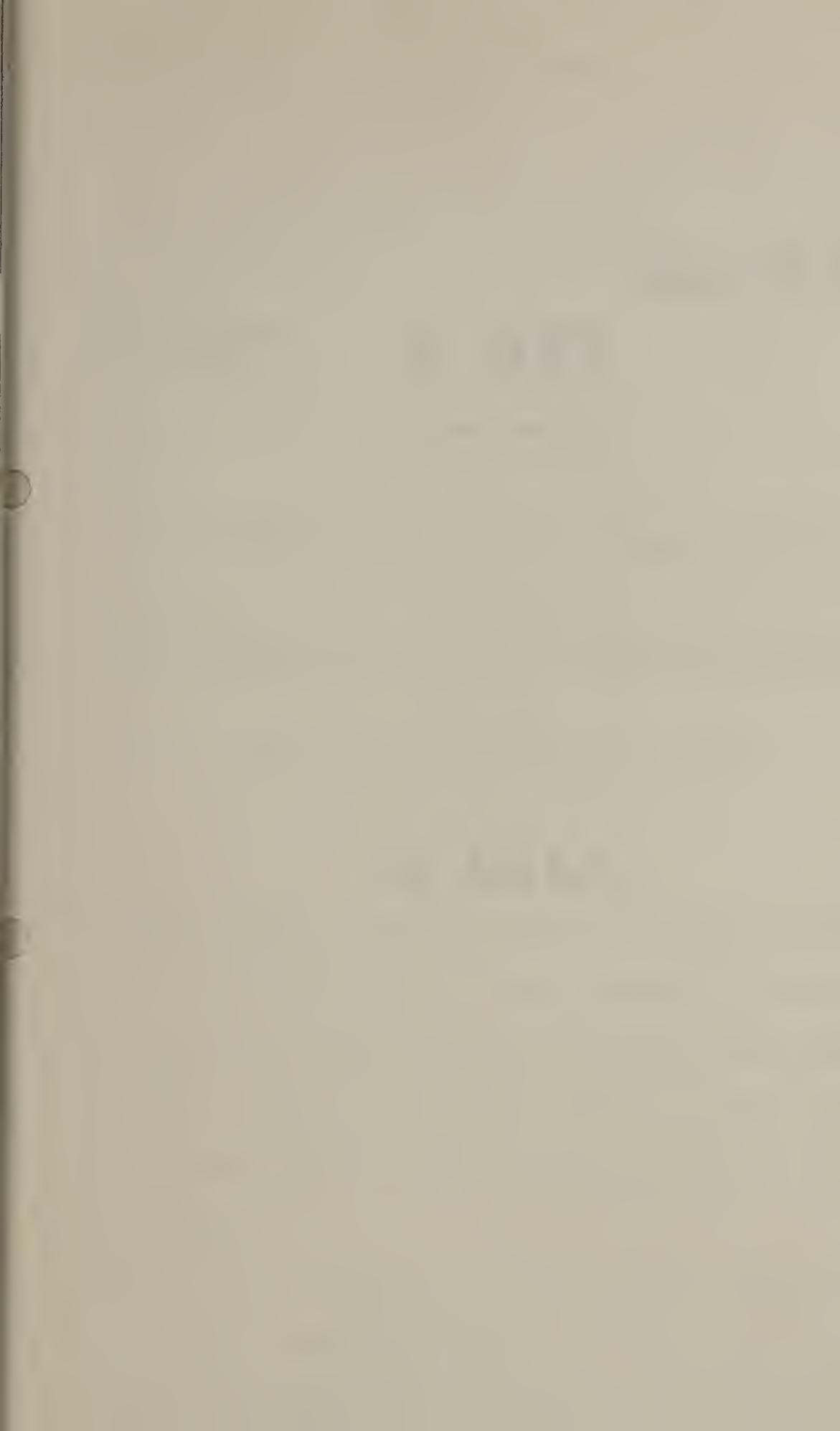
SEC. 4. (1) It shall be unlawful for any common carrier subject to this part or part III to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through rate than the aggregate of the intermediate rates subject to the provisions of this part or part III, but this shall not be construed as authorizing any common carrier within the terms of this part or part III to charge or receive as great compensation for a shorter as for a longer distance: *Provided*, That upon application to the Commission *and after investigation*, such [common] carrier, [may] in special cases, [after investigation,] *may* be authorized by the Commission to charge less for longer than for shorter distances for the transportation of passengers or property [;], and the Commission may from time to time prescribe the extent to which such designated [common carrier] carriers may be relieved from the operation of [this] *the foregoing provisions of this section*, but in exercising the authority conferred upon it in this proviso, the Commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed; and no such authorization shall be granted on account of merely potential water competition not actually in existence: *Provided further*, That any such carrier or carriers operating over a circuitous line or route may, subject only to the standards of lawfulness set forth in other provisions of this part or part III and without further authorization, meet the charges of such carrier or carriers of the same type operating over a more direct line or route, to or from the competitive points, provided that rates so established over circuitous routes shall not be evidence on the issue of the compensatory character of rates involved

*in other proceedings: And provided further, That tariffs proposing rates subject to the provisions of this paragraph requiring Commission authorization may be filed when application is made to the Commission under the provisions hereof, and in the event such application is approved, the Commission shall permit such tariffs to become effective upon one day's notice.*

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# Calendar No. 339

85TH CONGRESS  
1ST SESSION

## S. 937

[Report No. 333]

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### IN THE SENATE OF THE UNITED STATES

JANUARY 29, 1957

Mr. MAGNUSON (by request) introduced the following bill; which was read twice and referred to the Committee on Interstate and Foreign Commerce

MAY 17, 1957

Reported by Mr. SMATHERS, without amendment

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## A BILL

To amend section 4 of the Interstate Commerce Act, as amended.

1       *Be it enacted by the Senate and House of Representa- .*  
2       *tives of the United States of America in Congress assembled,*  
3       *That section 4 (1) of the Interstate Commerce Act, as*  
4       *amended (49 U. S. C. 4 (1)), is amended to read as*  
5       *follows:*

6       “(1) It shall be unlawful for any common carrier  
7       subject to this part or part III to charge or receive any  
8       greater compensation in the aggregate for the transportation  
9       of passengers, or of like kind of property, for a shorter than  
10      for a longer distance over the same line or route in the same  
11      direction, the shorter being included within the longer dis-

1 tance, or to charge any greater compensation as a through  
2 rate than the aggregate of the intermediate rates subject to  
3 the provisions of this part or part III, but this shall not be  
4 construed as authorizing any common carrier within the  
5 terms of this part or part III to charge or receive as great  
6 compensation for a shorter as for a longer distance: *Provided*,  
7 That upon application to the Commission and after investiga-  
8 tion, such carrier, in special cases, may be authorized by the  
9 Commission to charge less for longer than for shorter  
10 distances for the transportation of passengers or property,  
11 and the Commission may from time to time prescribe the  
12 extent to which such designated carriers may be relieved  
13 from the operation of the foregoing provisions of this section,  
14 but in exercising the authority conferred upon it in this  
15 proviso, the Commission shall not permit the establishment  
16 of any charge to or from the more distant point that is not  
17 reasonably compensatory for the service performed; and no  
18 such authorization shall be granted on account of merely  
19 potential water competition not actually in existence:  
20 *Provided further*, That any such carrier or carriers operating  
21 over a circuitous line or route may, subject only to the  
22 standards of lawfulness set forth in other provisions of this  
23 part or part III and without further authorization, meet the  
24 charges of such carrier or carriers of the same type operating  
25 over a more direct line or route, to or from the competitive

1 points, provided that rates so established over circuitous  
2 routes shall not be evidence on the issue of the compensatory  
3 character of rates involved in other proceedings: *And pro-*  
4 *vided further*, That tariffs proposing rates subject to the  
5 provisions of this paragraph requiring Commission authoriza-  
6 tion may be filed when application is made to the Commis-  
7 sion under the provisions hereof, and in the event such  
8 application is approved, the Commission shall permit such  
9 tariffs to become effective upon one day's notice."

85<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

**S. 937**

[Report No. 333]

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**A BILL**

To amend section 4 of the Interstate Commerce  
Act, as amended.

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By Mr. MAGNUSON

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JANUARY 29, 1957

Read twice and referred to the Committee on  
Interstate and Foreign Commerce

MAY 17, 1957

Reported without amendment





May 22, 1957

10. TRANSPORTATION. Passed without amendment S. 937, amendment <sup>to</sup> the Interstate Commerce Act to forbid common carriers from charging more for short hauls than for long hauls on the same line. pp. 6597-8  
At the request of Sen. Purtell, Passed over S. 377, to provide for the finality of contracts between the Federal Government and common carriers. p. 6598  
The Interstate and Foreign Commerce Committee ordered reported with amendments S. 939, allowing free or reduced rates for Government freight and making contracts between the Government and carriers final. p. D445

11. ELECTRIFICATION. Several Senators discussed Sen. Morse's criticism of the Administration's rapid tax amortization grant to the Idaho Power Co. pp. 6563-72  
Sen. Saltonstall inserted a tabulation of investor-owned power reactor projects. p. 6574  
At the request of Sen. Clark, passed over S. 2051, amending the Atomic Energy Act. p. 6588  
At the request of several Senators, passed over S. 555, authorizing a Hells Canyon dam. p. 6596  
At the request of Sen. Clark passed over S. 60, authorizing the Fryingpan-Arkansas project. p. 6596  
Sen. Smith, N. J., inserted an address on "Atomic Energy and the Quest for Peace," by Assistant Secretary of State Wilcox. pp. 6606-9

12. FOREIGN AID. Several Senators discussed the President's message on the Mutual Security Program, and inserted an editorial and Secretary of State Dulles' statement on the program to the Foreign Relations Committee. pp. 6550-3, 6575-6

13. FLOOD CONTROL. Sen. Johnson commented on the value of flood control and water conservation projects, and inserted several telegrams on the damages not encountered due to flood control projects. p. 6553

14. SOIL SURVEY. Received two reports on soil surveys and land classifications, for the Ainsworth Unit and the Farwell Unit of the Missouri Basin project. pp. 6553-4

15. DAIRY INDUSTRY. Sen. Aiken praised the American dairy industry while noting the 350th anniversary of its beginnings would be celebrated June 4 at Jamestown, Va. pp. 6573-4

16. BUDGET. Sen. Robertson noted the necessity to study many phases of the present high cost of Government if taxes are to be cut. p. 6575

17. ROADS. Sen. Neuberger urged control of roadside advertising on the Interstate Highway system and inserted a series of articles on billboard regulation. pp. 6576-9

18. COST OF LIVING. Sen. Humphrey defended himself from charges that he was a "profit-baiter" and inserted statements on the proposed study of monetary policy and inflation. pp. 6580-7

19. AWARDS. Sen. Hruska inserted Sen. Allott's statement on two Coloradans who received Honor Awards from this Department. p. 6587

20. FOREST PRODUCTS. At the request of Sen. Clark, passed over S. Con. Res. 20, authorizing FTC to study the newsprint industry. p. 6588

21. RECREATION. At the request of Sen. Clark, passed over S. 1164, to make the evaluation of recreational benefits part of the planning for any flood control, navigation, or reclamation project. p. 6588
22. RECLAMATION. At the request of Sen. Clark, passed over H.R. 2146, to require Congressional approval of small reclamation projects (p. 6588), and later made it the pending business (p. 6618).
23. PERSONNEL. Sen. Neuberger urged increased pay for Government employees. pp. 6618-21

#### ITEMS IN APPENDIX

24. SOIL BANK. Sen. Capehart inserted an editorial favoring action taken by the House to eliminate the soil bank program at the end of the current year. p. A3881  
Rep. George inserted an editorial stating that House action on the soil bank program "proves not much at all, except that politics and the farm problem are inseparable..." p. A3911
25. FAMILY FARM. Sen. Capehart inserted an editorial, "Family Farm Holds Its Own," stating that family farms still make up the vital core of American agriculture and that the Farm Bureau is the "true champion" of the family farmer. pp. A3881-2  
Rep. Ullman stated that "certainly the present economic situation facing the American farmer provides little cause for optimism," and inserted an Oregon State Legislature resolution urging enactment of legislation to aid the family-size farm. pp. A3896-7
26. RURAL DEVELOPMENT. Sen. Cooper inserted an address delivered before the Rural Development Program Work Conference. p. A3886
27. FARM PROGRAM. Sen. Capehart inserted Secretary Benson's address before the Republican Regional Conference, Cincinnati, Ohio. pp. A3887-90
28. POTATOES. Sen. Jackson inserted a letter sent to him by the Wash. Potato and Onion Shippers Association, Yakima, Wash. and stated that "the letter sets forth with admirable clarity some of the problems and the resulting condition of the potato industry in Washington State." p. A3897
29. BUDGET. Sen. Thurmond inserted two editorials favoring a reduced budget. pp. A3899-900, A3904-5  
Rep. Lane inserted an editorial commenting on the budget and asking "are we spending ourselves into weakness and further inflation?" p. A3907  
Rep. Minshall inserted two editorials, "Ike's Budget Appeal," and "The Battle of the Budget." pp. A3936-7
30. SURPLUS FOOD. Rep. Fulton commended and congratulated religious faith groups for their distribution of surplus commodities to the hungry people abroad and inserted a table listing surplus commodity shipments by American voluntary agencies during a nine-month period. pp. A3901-2
31. FORESTRY. Sen. Thurmond inserted an editorial, "The Plight of Plywood," which states that "if we are to maintain the level of our forest wealth, it is imperative that legislative action be taken to control the competition which today is driving more and more manufacturers of plywood out of business." pp. A3902-3

the owner of record in a manner hereinbefore provided. Any notice to a corporation shall, for the purposes of this act, be deemed to have been served on such corporation if served on the president, secretary, treasurer, general manager, or any principal officer of such corporation in the manner hereinbefore provided for the service of notices on natural persons holding property in their own right; and notices to a foreign corporation shall, for the purposes of this act, be deemed to have been served if served personally on any agent of such corporation, or if left with any person of suitable age and discretion residing at the usual residence or employed at the usual place of business of such agent in the District of Columbia."

(b) In case such notice is served by any method other than personal service, notice shall also be sent to the owner by ordinary mail.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### CHILDREN BORN OUT OF WEDLOCK

The Senate proceeded to consider the bill (S. 1708) to amend the act entitled "An act relating to children born out of wedlock," approved January 11, 1951, which had been reported from the Committee on the District of Columbia, with amendments on page 2, line 6, after the word "administer", to strike out "oaths" and insert "oaths, or before any person duly authorized to administer oaths"; in line 14, after the word "words", to strike out "Health Officer" and insert "Health Officer of the District of Columbia"; and, in line 17, after the word "designated", to strike out "agent." and insert "agent"; so as to make the bill read:

*Be it enacted, etc.* That the first sentence of section 15 of the act entitled "And act relating to children born out of wedlock," approved January 11, 1951 (sec. 11-963, D. C. Code, 1951 edition) is amended to read as follows: "Whenever a certified copy of a marriage certificate is submitted to the Commissioners of the District of Columbia or their designated agent, establishing that the previously unwed parents of an illegitimate child have intermarried subsequent to the birth of said child and the paternity of the child has been judicially determined or has been acknowledged by the husband before said Commissioners or their designated agent, or has been acknowledged in an affidavit sworn to by such husband before a judge or the clerk of a court of record, or before an officer of the Armed Forces of the United States authorized to administer oaths, or before any person duly authorized to administer oaths and such affidavit is delivered to said Commissioners or their designated agent, a new certificate of birth bearing the original date of birth and the names of both parents, shall be issued and substituted for the certificate of birth then on file."

SEC. 2. That subsection (b) of section 16 of such act (sec. 11-964 (b), D. C. Code, 1951 edition) is hereby amended by striking therefrom the words "Health Officer of the District of Columbia" and inserting in lieu thereof the words "Commissioners of the District of Columbia or their designated agent".

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### AMENDMENT OF COMPULSORY SCHOOL ATTENDANCE AND SCHOOL CENSUS ACT RELATING TO THE DISTRICT OF COLUMBIA

The bill (S. 1842) to amend the act entitled "An act to provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes," approved February 4, 1925, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.* That the first sentence of section 1 of article II of the act entitled "An act to provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes," approved February 4, 1925 (43 Stat. 807; sec. 31-208, D. C. Code, 1951 ed.), is amended by striking therefrom "all children between the ages of 3 and 18 years permanently or temporarily residing in the District of Columbia, and annually thereafter or as frequently", and inserting in lieu thereof "all children under the age of 18 years permanently or temporarily residing in the District of Columbia and as frequently thereafter."

#### CONFERRING OF DEGREES BY DISTRICT OF COLUMBIA TEACHERS COLLEGE

The bill (S. 1906) authorizing the conferring of appropriate degrees by the District of Columbia Teachers College on those persons who have met the requirements for such degrees, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.* That (a) the Board of Education of the District of Columbia is hereby authorized to make all necessary rules and regulations for the organization and government of the District of Columbia Teachers College, and to fix the terms and conditions for the admission to and graduation from such college.

(b) Upon the recommendation of the president and faculty of the District of Columbia Teachers College, the said Board of Education is further authorized to prescribe courses of study to be pursued at such college, and to provide for the conferring of appropriate degrees for work performed, in course, upon those persons who have met the requirements for such degrees.

#### REMOVAL FOR CAUSE OF MEMBERS OF BOARD OF EDUCATION, DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (H. R. 192) to provide that members of the Board of Education of the District of Columbia may be removed for cause, which had been reported from the Committee on the District of Columbia, with an amendment, on page 1, at the beginning of line 7, to strike out, "is amended by inserting immediately after the second sentence the following new sentence: 'The judges of the United States District Court for the District of Columbia shall have power to remove any member of the Board of Education at any time for adequate cause affecting his character and efficiency as a member,'" and insert "is amended by inserting '(a)' immedi-

ately after 'SEC. 2.' and by adding at the end thereof the following new subsection: '(b) The judges of the United States District Court for the District of Columbia shall have power to remove any member of the Board of Education at any time for adequate cause affecting his character and efficiency as a member, after a public hearing on a verified complaint filed by the United States Attorney for the District of Columbia, or one of his assistants, and on issues framed by a verified answer. The United States District Court of the District of Columbia is empowered to promulgate rules to carry out the purpose of this subsection.'

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

#### BILLS PASSED OVER

The bill (H. R. 4136) to extend the period within which the Export-Import Bank of Washington may make loans, was announced as next in order.

Mr. PURTELL. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 53) to consolidate into one act the laws administered by the Veterans' Administration relating to compensation, pension, hospitalization, and burial benefits, and to consolidate into one act the laws pertaining to the administration of the laws administered by the Veterans' Administration, was announced as next in order.

Mr. CLARK. Over.

The PRESIDING OFFICER. The bill will be passed over.

#### AMENDMENT OF SECTION 4 OF THE INTERSTATE COMMERCE ACT, AS AMENDED

The bill (S. 937) to amend section 4 of the Interstate Commerce Act, as amended, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.* That section 4 (1) of the Interstate Commerce Act, as amended (49 U. S. C. 4 (1)), is amended to read as follows:

(1) It shall be unlawful for any common carrier subject to this part or part III to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through rate than the aggregate of the intermediate rates subject to the provisions of this part or part III, but this shall not be construed as authorizing any common carrier within the terms of this part or part III to charge or receive as great compensation for a shorter as for a longer distance: *Provided*, That upon application to the Commission and after investigation, such carrier, in special cases, may be authorized by the Commission to charge less for longer than for shorter distances for the transportation of passengers or property, and the Commis-

sion may from time to time prescribe the extent to which such designated carriers may be relieved from the operation of the foregoing provisions of this section, but in exercising the authority conferred upon it in this proviso, the Commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed; and no such authorization shall be granted on account of merely potential water competition not actually in existence: *Provided further*, That any such carrier or carriers operating over a circuitous line or route may, subject only to the standards of lawfulness set forth in other provisions of this part or part III and without further authorization, meet the charges of such carrier or carriers of the same type operating over a more direct line or route, to or from the competitive points, provided that rates so established over circuitous routes shall not be evidence on the issue of the compensatory character of rates involved in other proceedings: *And provided further*, That tariffs proposing rates subject to the provisions of this paragraph requiring Commission authorization may be filed when application is made to the Commission under the provisions hereof, and in the event such application is approved, the Commission shall permit such tariffs to become effective upon 1 day's notice."

#### ESTABLISHMENT OF PERIODS OF LIMITATION FOR ACTIONS AT LAW UNDER INTERSTATE COMMERCE ACT, ETC.—BILL PASSED OVER

The bill (S. 377) to establish the finality of contracts between the Government and common carriers of passengers and freight subject to the Interstate Commerce Act, was announced as next in order.

Mr. PURTELL. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. MAGNUSON. Mr. President, did I correctly understand that the Senator from Connecticut asked that calendar 340, Senate bill 377, go over?

Mr. PURTELL. Yes. I did so by request. I understand that an amendment providing that the measure shall not be applicable in time of war may be proposed. I believe that at present the bill does not contain such a provision.

Mr. MAGNUSON. That is correct; it does not. Does the Senator from Connecticut know who proposes the amendment?

Mr. PURTELL. It was discussed briefly prior to the call of the calendar. There is no objection to the bill. If an amendment providing that the bill shall not apply during war is offered on the floor, I shall be glad to withdraw the objection.

Mr. MAGNUSON. We would like to have the bill passed. I see no objection to such an amendment.

Mr. PURTELL. I should be glad to propose the amendment, or perhaps the Senator from Washington wishes to propose it.

Mr. BRICKER. Mr. President, I should like to ask several questions regarding such an amendment. Is it the understanding of the Senator from Connecticut that, under such an amendment, the limitation would begin to run at the end of war?

Mr. PURTELL. It is my understanding that the limitation would apply only during war, and that the 2-year period would begin immediately at the end of war, and the 3-year period similarly.

Mr. BRICKER. I think the bill should go over.

Mr. PURTELL. Mr. President, the Senator from Ohio suggests that the bill go over. I believe it should go over; and if that is done, then, between today and the next call of the calendar, we can take care of the matter referred to.

Mr. MAGNUSON. Mr. President, I know the Senator from Ohio, who is the author of the bill, is anxious to have it passed.

Mr. PURTELL. I so understand. However, the Senator from Ohio agrees that we should take time to look carefully into the matter to which reference has been made.

Therefore, Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

#### BILL PASSED OVER

The bill (S. 943) to amend section 218 (a) of the Interstate Commerce Act, as amended, to require contract carriers by motor vehicles to file with the Interstate Commerce Commission their actual rates or charges for transportation services, was announced as next in order.

Mr. CLARK. Over.

The PRESIDING OFFICER. The bill will be passed over.

#### RELIEF OF CERTAIN ALIENS

The Senate proceeded to consider the joint resolution (H. J. Res. 247) for the relief of certain aliens, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 9, after the name "Capone", to strike out "Pearl (Pik Chun) Ma, Ying Lun Ma"; on page 2, line 22, after the word "Act", to strike out "Roger Eugene Cailaud"; at the beginning of line 24, to strike out "Kerttu Poutiainen Mayblom"; on page 3, after line 7, to strike out:

SEC. 3. The Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bonds, which may have issued in the cases of John William Forbes Petch and Mrs. Tsuma Ueda. From and after the date of the enactment of this Act, the said John William Forbes Petch and Mrs. Tsuma Ueda shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued.

And, after line 16, to strike out:

SEC. 4. For the purposes of the Immigration and Nationality Act, Paolina Toscano shall be held and considered to have been lawfully admitted to the United States for permanent residence as of August 18, 1925, upon payment of the required visa fee.

The amendments were agreed to.

The amendments were ordered to be engrossed, and the joint resolution to be read the third time.

The joint resolution was read the third time and passed.

#### GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

The Senate proceeded to consider the concurrent resolution (H. Con. Res. 89) approving the granting of the status of permanent residence to certain aliens, which had been reported from the Committee on the Judiciary, with amendments, on page 6, after line 5, to strike out "A-6197692, Kuo, Hsiao Lan."

After line 6, to strike out "0200 86579, Kuo, Hsiao Mei nee Yen".

On page 27, after line 8, to strike out "A-6386992, Wong, Yen Leong."

And, on page 37, at the beginning of line 5, to strike out "A-8881704" and insert "A-6881704".

The amendments were agreed to.

The concurrent resolution, as amended, was agreed to.

#### MARIA ADELAIDE ALESSANDRONI

The bill (S. 80) for the relief of Maria Adelaide Alessandroni was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That, for the purposes of the Immigration and Nationality Act, Maria Adelaide Alessandroni shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

#### TSUI YUNG WONG

The bill (S. 153) for the relief of Tsui Yung Wong was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That, for the purposes of the Immigration and Nationality Act, Tsui Yung Wong shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

#### GEORGIOS IOANNOU

The bill (S. 160) for the relief of Georgios Ioannou was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That, for the purposes of the Immigration and Nationality Act, Georgios Ioannou shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.





**IN THE HOUSE OF REPRESENTATIVES**

**MAY 23, 1957**

Referred to the Committee on Interstate and Foreign Commerce

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**AN ACT**

To amend section 4 of the Interstate Commerce Act, as  
amended.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That section 4 (1) of the Interstate Commerce Act, as  
4       amended (49 U. S. C. 4 (1)), is amended to read as  
5       follows:

6           “(1) It shall be unlawful for any common carrier  
7       subject to this part or part III to charge or receive any  
8       greater compensation in the aggregate for the transportation  
9       of passengers, or of like kind of property, for a shorter than  
10      for a longer distance over the same line or route in the same  
11      direction, the shorter being included within the longer dis-

1 tance, or to charge any greater compensation as a through  
2 rate than the aggregate of the intermediate rates subject to  
3 the provisions of this part or part III, but this shall not be  
4 construed as authorizing any common carrier within the  
5 terms of this part or part III to charge or receive as great  
6 compensation for a shorter as for a longer distance: *Provided*,  
7 That upon application to the Commission and after investiga-  
8 tion, such carrier, in special cases, may be authorized by the  
9 Commission to charge less for longer than for shorter  
10 distances for the transportation of passengers or property,  
11 and the Commission may from time to time prescribe the  
12 extent to which such designated carriers may be relieved  
13 from the operation of the foregoing provisions of this section,  
14 but in exercising the authority conferred upon it in this  
15 proviso, the Commission shall not permit the establishment  
16 of any charge to or from the more distant point that is not  
17 reasonably compensatory for the service performed; and no  
18 such authorization shall be granted on account of merely  
19 potential water competition not actually in existence:  
20 *Provided further*, That any such carrier or carriers operating  
21 over a circuitous line or route may, subject only to the  
22 standards of lawfulness set forth in other provisions of this  
23 part or part III and without further authorization, meet the  
24 charges of such carrier or carriers of the same type operating  
25 over a more direct line or route, to or from the competitive

1 points, provided that rates so established over circuitous  
2 routes shall not be evidence on the issue of the compensatory  
3 character of rates involved in other proceedings: *And pro-*  
4 *vided further*, That tariffs proposing rates subject to the  
5 provisions of this paragraph requiring Commission authoriza-  
6 tion may be filed when application is made to the Commis-  
7 sion under the provisions hereof, and in the event such  
8 application is approved, the Commission shall permit such  
9 tariffs to become effective upon one day's notice."

Passed the Senate May 22, 1957.

Attest:

FELTON M. JOHNSTON,

*Secretary.*

85TH CONGRESS  
1ST SESSION

**S. 937**

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## **AN ACT**

To amend section 4 of the Interstate Commerce  
Act, as amended.

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MAY 23, 1957

Referred to the Committee on Interstate and Foreign  
Commerce





June 11, 1957

10. ~~LEGISLATIVE PROGRAM.~~ Sen. Johnson urged the Senate not to discuss irrelevant subjects during the week ahead in order to allow time for full discussion of the four appropriation bills to be passed, and stated his desire to have the Senate act on H.R. 6070, the independent offices appropriation bill, and H.R. 6287, the Labor-HEW appropriation bill, on Wed., June 12, meeting at 9:30. pp. 7858, 7939-40

HOUSE

11. ~~APPROPRIATIONS; ORGANIZATION.~~ A subcommittee of the Government Operations Committee ordered reported with amendment the following bills: p. D516  
H.R. 8002, to provide for improved methods of stating budget estimates and estimates for deficiency and supplemental appropriations;  
H.R. 6711, to extend the termination date for the submission of reorganization plans to Congress, under the Reorganization Act, until June 1, 1961;  
H.R. 6900, to amend Sec. 206 of the Legislative Reorganization Act of 1946, so as to enable the Comptroller General more effectively to assist the Appropriations Committees in considering the budget by making special expenditure analyses of agency operations.

12. ~~TRANSPORTATION.~~ A subcommittee of the Interstate and Foreign Commerce Committee ordered reported S. 937, to amend Sec. 4 of the ICC Act so as to eliminate the necessity of ICC approval of certain rate publications, ~~and~~ H.R. 3233, with amendment, to amend Sec. 22 of the ICC Act so as to limit the carriage, storage, or handling of property for the U. S., State, or municipal Governments free or at reduced rates to periods during time of war or national emergency. p. D516

13. ~~SMALL BUSINESS.~~ The Banking and Currency Committee ordered reported H.R. 7963, to extend the Small Business Act. p. D515

14. ~~LEGISLATIVE PROGRAM.~~ Rep. Cramer discussed the relative support of the two parties in Congress of the President's legislative recommendations. pp. 7836-39

15. ~~FOREIGN AFFAIRS.~~ The Foreign Affairs Committee submitted a report on foreign policy and mutual security pursuant to H. Res. 29 (H. Rept. 551). p. 7839

16. ~~ADJOURNED~~ until Thurs., June 13. p. 7839

ITEMS IN APPENDIX

17. ~~FLOOD CONTROL.~~ Sen. Johnson expressed the great need for more dams for flood control and water conservation in Texas and inserted an article on this subject. p. A4544

18. ~~FOREIGN TRADE.~~ Sen. Javits stated that "failure to authorize membership in the OTC would seriously jeopardize the position of the United States as world leader," and inserted his letter to the Committee on Foreign Trade Education, Inc. outlining his views. pp. A4544-5  
Rep. Gary inserted Philip M. Talbott's, Pres., Chamber of Commerce of the U. S., address urging businessmen to do everything they can to help our Government maintain policies which facilitate the growth of freer foreign trade. pp. A4579-81

19. ~~EXHIBITS.~~ Sen. Thye inserted his press release in support of U. S. participation in world fairs and expositions. p. A4550

20. FOREIGN AID. Sen. Talmadge inserted an editorial favoring reduction in foreign aid spending. p. A4551

21. ELECTRIFICATION. Sen. Church inserted an editorial summarizing the accomplishments of the Senate Antimonopoly Subcommittee regarding the Idaho Power Co. at Hells Canyon dam. pp. A4559-60  
Rep. Evans inserted an editorial, "Propaganda Gimmick Exposed--Taxpayers Paying For Lobbying of Utilities, Oil, and Gas Companies." p. A4539

22. ST. LAWRENCE SEAWAY. Sen. Wiley inserted an article containing the facts and statistics of current work on the seaway as it "reaches its peak." p. A4563

23. FARM PROGRAM. Sen. Capehart inserted Under Secretary Morse's address, "New Dimensions In Farming," before a banquet sponsored by Charles Pfizer and Co., Inc., honoring 20 winners of 4-H Club animal health scholarships, at Terre Haute, Ind.. pp. A4567-8

24. STATEHOOD. Del. Burns inserted several articles favoring statehood for Alaska and Hawaii. pp. A4569-70

25. DAIRY INDUSTRY. Rep. Johnson, Wis., inserted an article describing the impact of dairying and the milk market on Wis. farm folk. pp. A4577-8

26. PERSONNEL. Rep. Lane inserted a Mass. Chapter of the Nat'l Ass'n of Retired Civil Employees on the high cost of living as it affects the low-income Federal civil-service annuitants. p. A4586

27. CONSERVATION. Rep. Saylor stated that conservation is not a problem for Congress alone and inserted an article commanding the National Parks Ass'n on its student conservation program. p. A4591

28. BUDGET. Rep. Brooks, La. inserted Percival Brundage's, Director of the Bureau of the Budget, address, "The Federal Budget for 1958." pp. A4597-8

#### BILLS INTRODUCED

29. ACREAGE RESERVE. H.R. 8051, by Rep. Albert, H.R. 8063, by Rep. Edmondson, H.R. 8067, by Rep. Jarman, H.R. 8070, by Rep. Morris, H.R. 8073, by Rep. Steed, and S. 2264, by Sen. Kerr, to provide for an emergency acreage-reserve program in areas determined to be major disaster areas; to Agriculture and Forestry Committee and H. Agriculture Committee.  
H.R. 8052, by Rep. Albert, H.R. 8064, by Rep. Edmondson, H.R. 8069, by Rep. Morris, and H.R. 8074, by Rep. Steed, to provide for increased participation in the acreage reserve program by producers of basic commodities in major disaster areas; to Agriculture Committee.

30. MILK. H.R. 8058, by Rep. Boyle, to require the Secretary of Health, Education, and Welfare to fix a minimum standard of 3.5 percent butterfat for whole milk; to Interstate and Foreign Commerce Committee.

31. FARM PROGRAM. H.R. 8059, by Rep. Breeding, to provide an improved farm program; to Agriculture Committee. Remarks of author. p. A4568

32. PATENTS. H.R. 8066, by Rep. Hillings, to authorize the restoration of times taken from patents covering inventions whose practice was prevented or curtailed during certain emergency periods by service of the patent owner in the Armed Forces or by governmental controls; to Judiciary Committee.





June 17, 1957

HOUSE

3. TRANSPORTATION. The Interstate and Foreign Commerce Committee ordered reported S. 937, to amend Sec. 4 of the Interstate Commerce Act so as to eliminate the necessity of ICC approval of certain rate publications. p. D522

9. FORESTRY. The Interior and Insular Affairs Committee ordered reported without amendment H.R. 7522, to authorize the extension of rights to certain individuals to remove timber from national forest lands. p. D522

10. FARM LOANS. A subcommittee of the Judiciary Committee ordered adversely reported to the full Committee H.R. 3084, to provide for the payment of the unpaid balance of joint stock land bank bonds declared by Congress to be instrumentalities of the Government of the U. S. D522

11. CONTRACTS. The Judiciary Committee reported, on June 10, with amendments H.R. 7536, to extend the termination date of title II of the First War Powers Act of 1941 from June 30, 1957 to June 30, 1958. Under the provisions of title II, the President may authorize, under certain conditions, any department or agency of the Government exercising functions in connection with the prosecution of the national defense effort to enter into contracts and into amendments or modifications of contracts and to make advance, progress, and other payments thereon, without regard to the provisions of the law relating to the making, performance, amendment, or modification of contracts, whenever he deems such action would facilitate the national defense (H. Rept. 544). p. 7800

ITEMS IN APPENDIX

12. SOIL CONSERVATION. Sen. Johnson inserted an editorial discussing the flood damage in Tex. and stating that "the soil-conservation people and their cooperators are on the right track...but we need more cooperators and a more coordinated program with State river authorities and our Federal agencies." p. A4603

13. INFLATION. Sen. Carlson stated that during the past year inflation has reduced the purchasing power of the dollar somewhere between 3 and 4 percent, that inflation is the No. 1 problem facing our Nation at the present time, and inserted an editorial, "The Growing Inflation Threat--Businessmen Urged to Attack Problem Instead of Criticizing Eisenhower." pp. A4607-8

14. SMALL BUSINESS. Rep. Multer spoke in favor of and inserted a resolution urging passage of H.R. 7963, to make the Small Business Administration a permanent agency. p. A4614

15. PERSONNEL. Sen. Javits inserted a speech delivered by one of his constituents before the President's Committee on Employment of the Physically Handicapped, "Placing the Handicapped--A Challenge to Ingenuity." p. A4615

16. CHEMICALS; RESEARCH. Rep. Metcalf discussed his bill which would authorize the Interior Department to undertake studies of the effects of insecticides, herbicides and fungicides upon fish and wildlife and inserted an address by Dr. W. Coda Martin, "Insecticides Today and Tomorrow." pp. A4616-8

17. FARM PROGRAM. Rep. Knutson stated that "I, for one, am going to fight every step of the way for a sound farm program and go on registering protest after protest after protest against the Benson antifarmer farm program." p. A4619

BILLS INTRODUCED

18. BUDGETING; APPROPRIATIONS. S. 2272, by Sen. Bennett, to provide for tax adjustment based on increase or decrease in Federal project authorizations; to Finance Committee. Remarks of author. pp. 7943-5

19. COTTON. S. 2273, by Sen. Eastland, to provide an alternative acreage-adjustment and price support program for the 1958 crop of cotton; to Agriculture and Forestry Committee. p. 7945

PRINTED HEARINGS RECEIVED IN THIS OFFICE

20. APPROPRIATIONS. H.R. 6700, Commerce Department appropriations for 1958. Senate Appropriations Committee.  
H.R. 7599, Legislative Branch appropriations for 1958. House Appropriations Committee.

21. RESEARCH. National Science Foundation; Report on International Geophysical Year. House Appropriations Committee.

22. SMALL BUSINESS. H.R. 6645 and H.R. 7474, proposed amendments to the Small Business Act of 1953. House Banking and Currency Committee.

23. ATOMIC ENERGY. Governmental indemnity and reactor safety. Joint Atomic Energy Committee.

COMMITTEE HEARING ANNOUNCEMENTS:

June 13: Stockpiling food for civil defense, etc., H. Agriculture (Morse to testify). Amendments to peanut statistics legislation, H. Agriculture (Newell, AMS, to answer questions). Mutual security authorization bill, H. Foreign Affairs. Fiscal policy implications of economic outlook and budget developments (Brundage, BB, to testify). Federal employee pay bills, H. Post Office and Civil Service. Alaska and Hawaii statehood bills, S. Interior (exec).  
June 14: Repeal of prohibition against cotton reports on intention to plant, etc., H. Agriculture (Newell, AMS, to testify).





# Digest of CONGRESSIONAL PROCEEDINGS

## OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued June 20, 1957  
For actions of June 19, 1957  
85th-1st, No. 106

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**HIGHLIGHTS:** Senate adopted conference report on third supplemental appropriation bill. Sen. Humphrey urged greater use of voluntary agencies in surplus food disposal overseas. Rep. Marshall stated soil bank program has been a failure. Rep. Hill urged retention of Packers and Stockyards Act functions in USDA. House passed public works appropriation bill. Sen. Johnston introduced and discussed bill to provide health insurance for Federal employees.

### SENATE

1. APPROPRIATIONS. Adopted the conference report, as agreed to by the House, on H.R. 7221, the third supplemental appropriation bill for 1957. For other items of interest see Digests 88 and 105). pp. 8635-40. This bill will now be sent to the President.
2. ELECTRIFICATION; RECLAMATION; AMORTIZATION. Senate began debate on S. 555, to authorize a high dam in Hells Canyon. pp. 8613-18, 8629, 8641-59, 8659-73.
3. ATOMIC ENERGY. Passed as reported S. 2243, to provide an authorization for appropriations for cooperative reactor developments for the Atomic Energy Commission. p. 8641
4. FOOD DISTRIBUTION; SURPLUS COMMODITIES. Sen. Humphrey commended the efforts of voluntary agencies in surplus food disposal under Public Law 480, and urged greater use of such groups. pp. 8675-8
5. FARM CREDIT; NOMINATIONS. The Agriculture and Forestry Committee reported the nominations of Marshall Edwards and George Lightburn to be of the Federal Farm Credit Board. p. 8591

with amendments

6. RECREATION. The Interior and Insular Affairs Committee reported S. 846, to establish a National Outdoor Recreation Resources Review Commission (S. Rept. 471). p. 8592

7. PERSONNEL. Received from the Civil Service Commission a proposed bill to provide Federal contributions and authorize payroll deductions for prepaid health insurance for Federal employees and dependents; to Post Office and Civil Service Committee. p. 8591

8. WATER RESOURCES. The report of the Chief of Engineers on central and southern Fla., Hendry County, was ordered to be printed as S. Doc. 48. p. 8593

9. PUBLIC WORKS. Sen. Johnson criticized the Budget Bureau for allegedly usurping policy-making functions in authorizing flood control and other public works functions. p. 8599

10. FISCAL POLICIES. Sen. Byrd inserted his statement at the opening of the Finance Committee's investigation of fiscal and monetary policies. pp. 8610-11

11. FLOOD INSURANCE. Sens. Pastore, Saltonstall, and Javits lamented the failure to authorize \$14 million for Federal flood re-insurance and indemnification, in H.R. 7221, the third supplemental appropriation bill for 1957. pp. 8619-20

12. FLOOD CONTROL. Sen. Humphrey discussed the floods in Southwestern Minn. and urged action by the Farmers' Home Administration and others to act to aid those in the area, and pointed to this as underlining the need for a broad flood control program. pp. 8674-5

13. LEGISLATIVE PROGRAM. Sen. Johnson stated his hope that by starting at 11:00 the Senate might reach a vote on S. 555, the Hells Canyon bill, by Fri.. p. 8590

HOUSE

14. APPROPRIATIONS. Passed without amendment H.R. 8090, the public works appropriation bill for 1958. pp. 8680-8726

15. FORESTRY. The Interior and Insular Affairs Committee ordered reported H.R. 3358, to supplement the land grant provisions of the Alaska Mental Health Enabling Act to permit the selection of certain public lands in Alaska, and H.R. 7864, to amend the Act of May 4, 1956 relative to the establishment of public recreational facilities in Alaska. p. D551  
A subcommittee of the Judiciary Committee ordered reported H.R. 4768, to provide that the U.S. quitclaim all rights, title, and interest in certain lands under Forest Service jurisdiction in San Jacinto, Tex., to private individuals. p. D551

16. RECLAMATION. The Interior and Insular Affairs Committee ordered reported with amendment S. 1482, to amend the Columbia Basin Project Act to increase the limitation on the acreage one family might have of irrigated land, and S. J. Res. 39, to authorize the construction of certain water conservation projects to provide for a more adequate supply of water for irrigation purposes in the Pecos River Basin, N. Mex. and Tex. p. D551

17. TRANSPORTATION. The Interstate and Foreign Commerce Committee reported without amendment S. 937, to amend Sec. 4 of the Interstate Commerce Act so as to eliminate the necessity of ICC approval of certain rate publications. p. 8737

AMENDING SECTION 4 OF THE INTERSTATE COMMERCE  
ACT RELATING TO THE LONG- AND SHORT-HAUL  
CLAUSE

---

JUNE 19, 1957.—Committed to the Committee of the Whole House on the State  
of the Union and ordered to be printed

---

Mr. HARRIS, from the Committee on Interstate and Foreign Com-  
merce, submitted the following

**R E P O R T**

[To accompany S. 937]

The Committee on Interstate and Foreign Commerce, to whom  
was referred the bill (S. 937) to amend section 4 of the Interstate  
Commerce Act, as amended, having considered the same, report  
favorably thereon without amendment and recommend that the bill  
do pass.

**PURPOSE OF BILL**

The purpose of the bill, by amending section 4 (1) of the Interstate  
Commerce Act, is to eliminate prior approval of the Interstate Com-  
merce Commission for publication of rates over "circuitous routes"  
equivalent to going rates over a "direct route" of the same type of  
carrier when, in the managerial discretion of the carriers, such rates  
are necessary for competitive reasons.

The bill does not change the application of the long- and short-haul  
clause principle to the "direct route," nor change the general principle  
of rate making as to the compensatory character of the rates over the  
"circuitous routes."

The Interstate Commerce Commission recommends the bill (recom-  
mendation No. 2, 70th Annual Report to the Congress) as removing  
an unnecessary burden on both carriers and the Commission in con-  
nection with filings for relief from the provisions of this section.

**HEARINGS**

Hearings were had by the Subcommittee on Transportation and  
Communications on a companion bill, H. R. 2808, at which numerous  
witnesses appeared for all carrier and many shipper organizations,

in support of the bill, and no witness appeared in opposition to the bill with the exception of one who desired a much broader exemption from the provisions of this section that would largely have eliminated the basic long- and short-haul principle.

#### DISCUSSION

Enactment of the legislation would eliminate the present necessity under section 4 (1) of the Interstate Commerce Act of securing the Commission's prior approval to establish rates over circuitous routes equivalent to the going rates over a more direct route of the same type of carrier when, in the carrier's opinion, such rates are necessary for competitive reasons. Elimination of this provision would enhance the Commission's administrative effectiveness and would enable the carriers to simplify and improve their tariffs to the benefit of all concerned.

Under section 4 (1) common carriers subject to part I or part III are now prohibited from charging or receiving any greater compensation for the transportation of passengers, or like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance. Section 4 (1) also provides, among other things, that, upon application, the Commission may, in special cases, after investigation, authorize such carriers to charge less for the longer than for the shorter distance, and from time to time prescribe the extent to which such common carriers may be relieved from the provisions of the section. In the exercise of this authority, however, the Commission may not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed. Nor may it grant such authorization on account of merely potential water competition not actually in existence.

H. R. 2808 would make the fourth section self-operating with respect to departures over circuitous routes for competitive reasons. No further authorization from the Commission would be necessary although other standards set forth in other sections of the act would, of course, have to be observed. Elimination of the need for prior Commission approval would not result in discrimination against intermediate points on the circuitous route. Discrimination, if any, would have already occurred by reason of the prior publication of the lower charges for the longer distance than for the shorter distance over the direct route. Such a situation would be created when the lower rate over the direct route becomes effective, and not upon publication by the circuitous route carrier of a rate equivalent to the rate over the direct route.

Under existing regulatory policy, rates are initiated by the carriers, and are subject to review by the Commission. This does not mean that the Commission must investigate and pass upon the justness and reasonableness of every rate before it becomes effective. Rates are reviewed whenever their lawfulness is questioned, and experience has proved this to be a satisfactory practice. It is reasonable to assume, therefore, that rates published over circuitous routes to meet the rates over the more direct routes would be compensatory and otherwise lawful. Should the lawfulness of such a rate be questioned, it would be subject to specific review, and the Commission would consider its compensatory aspects under the just and reasonable provision of section 1 of the act. If found not to be compensatory, it would

constitute an unauthorized departure from the long- and short-haul principle, and would therefore be unlawful.

The long- and short-haul clause of the act has been surrounded throughout its history by more controversy than any other provision. A major portion of the congressional debate at the time the original act was under consideration in 1887 was devoted to this clause. In the 10 years that followed, a series of court decisions rendered it ineffectual by interpreting the statute as it was then worded as permitting the carriers to determine for themselves whether long- and short-haul departures were unlawful. The dissatisfaction with this situation led to the amendments in 1910 and 1920, by which the clause was strengthened, and the Commission was given the primary function of determining whether departures should be sanctioned. Since the Commission is constantly seeking assurance that all rates subject to its jurisdiction, including those published under section 4, are not unjust or unreasonable, or unduly discriminatory, prior Commission approval to publish such rates over circuitous routes would seem unnecessary.

Experience has shown that this provision has been excessively burdensome to all concerned. It has brought about disproportionate expenditures of time, labor, and funds by both the carriers and the Commission in view of the relatively few instances where denial of section 4 relief has been warranted. During the year ending October 31, 1956, for example, the carriers filed 1,573 applications for fourth-section relief. Of this number only 87 were denied, the remainder having been granted in whole or in part, either on a continuing or temporary basis. Those figures include applications for relief other than over circuitous routes. For the months of October, November, and December 1956, a total of 431 fourth-section applications were filed. Of this number 127, or 29.4 percent, sought relief over circuitous routes only. Only 5 of these were opposed, and only 7 were denied. On the basis of handling about 459 circuitous route applications per year, it is estimated that enactment of H. R. 2808 would result in annual savings of over \$19,000 for the Commission. That is on the basis of present filings. In the past 13 years the number of fourth-section applications has increased almost threefold and there is good reason to believe that this trend will continue.

Enactment of the proposed change would serve to streamline section 4 without disturbing its principal purpose, i. e., control of departures from the long- and short-haul principle over the direct routes. By materially reducing the size of many tariffs and by simplifying them generally the benefits of these changes would redound to shippers and other tariff users in substantial degree.

The proposed new provision prohibiting the consideration of rates so established over circuitous routes as evidence of the compensatory character of rates involved in other proceedings would serve to prevent use of such rates (which may, as an exception to the provisions of sec. 4, become effective without the Commission's prior approval) as criteria justifying proposed rate adjustments in other proceedings.

## AGENCY COMMENTS

INTERSTATE COMMERCE COMMISSION,  
OFFICE OF THE CHAIRMAN,  
Washington, June 10, 1957.

Hon. OREN HARRIS,

*Chairman, Committee on Interstate and Foreign Commerce,  
House of Representatives, Washington, D. C.*

DEAR CHAIRMAN HARRIS: Your letter of May 27, 1957, addressed to the Chairman of the Commission and requesting a report on an act, S. 937, to amend section 4 of the Interstate Commerce Act, as amended, has been referred to our Committee on Legislation. After consideration by that Committee, I am authorized to submit the following comments in its behalf:

S. 937, as passed by the Senate, is identical to H. R. 2808, introduced by you in the House, at the Commission's request, to give effect to legislative recommendation No. 2 in its 70th annual report to Congress.

The purpose of the recommendation and the bill was set forth in the statement of justification which accompanied the draft bill transmitted to you with my letter of January 8, 1957, with request for introduction. For convenience of reference, the statement of justification is repeated below:

"The attached draft bill is designed to remove from section 4 (1) of the Interstate Commerce Act all unnecessary and burdensome requirements of the long- and short-haul principle by making the section self-operating with respect to departures over circuitous routes because of competitive factors. As an incident of the suggested change, a provision would be added prohibiting the consideration of rates so established over circuitous routes as evidence of the compensatory character of rates involved in other proceedings.

"Under the present provisions of section 4 (1), common carriers subject to part I or part III of the act are prohibited from charging or receiving any greater compensation for the transportation of passengers, or like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance. Such carriers are also prohibited from charging any greater compensation as a through rate than the aggregate of the intermediate rates subject to the provisions of part I or part III. Section 4 provides, in addition, however, that the Commission may in special cases, upon application and after investigation, authorize such carriers to charge less for the longer than for the shorter distance, and that it may from time to time prescribe the extent to which such designated carriers may be relieved from the operation of the section, but that in exercising such authority it shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed.

"The proposed amendment would make it unnecessary to secure the Commission's prior approval to publish rates over circuitous routes equivalent to the going rates over the direct routes of the same type of carrier when, in the carrier's opinion, such rates are necessary for competitive reasons. To this extent the fourth section would become self-operating, with no further authorization from the Commission being required other than the standards set forth in other sections of

the act. This would not operate to discriminate against intermediate points on the circuitous route, since such discrimination, if any, would already have occurred by reason of the prior publication of the lower charges for the longer distance than for the shorter distance over the direct route. This situation is created upon the lower rate over the direct route becoming effective, and not upon publication by the circuitous route carrier of a rate equivalent to the rate over the direct route.

"Under existing regulatory policy, rates are made in the first instance by the carriers, subject to review by the Commission. The Commission is not required to investigate and pass upon the justness and reasonableness of every rate before it becomes effective, but rates are reviewed whenever their lawfulness is questioned. This has proved to be a satisfactory practice. It is therefore reasonable to assume that rates published by carriers operating over circuitous routes to meet the rates over the more direct routes would be compensatory and otherwise lawful. Should the lawfulness of such a rate be questioned, it would be subject to specific review in which case the Commission would consider the compensatory aspect thereof under the just and reasonable provision of section 1 of the act. If the rate is found not to be compensatory, it would constitute an unauthorized departure from the long- and short-haul principle, and therefore would be unlawful.

"Experience has shown that the provision in question has been excessively burdensome to all concerned, and has resulted in disproportionate expenditures of time, labor, and funds by both the carriers and the Commission in view of the relatively few instances where denial of section 4 relief has been warranted. During the year ending October 31, 1956, for example, the carriers filed 1,573 applications for such relief. Of this number only 87 were denied, the remainder having been granted in whole or in part, either on a continuing or temporary basis.

"Elimination of this burdensome provision would enhance the Commission's administrative effectiveness and would enable the carriers to simplify and improve their tariffs to the benefit of all concerned. Enactment of the proposed change would thus serve to streamline section 4 without disturbing its principal purpose, i. e., control of departures from the long- and short-haul principle over the direct routes.

"The proposed new provision prohibiting the consideration of rates so established over circuitous routes as evidence of the compensatory character of rates involved in other proceedings would serve to prevent use of such rates (which may, as an exception to the provisions of sec. 4, become effective without the Commission's prior approval) as criteria justifying proposed rate adjustments in other proceedings."

There is nothing further that we wish to add at this time. We recommend that S. 937 be enacted.

Respectfully submitted.

OWEN CLARKE,  
*Chairman, Committee on Legislation.*

OWEN CLARKE.

ANTHONY ARPAIA.

ROBERT W. MINOR.

THE SECRETARY OF COMMERCE,  
Washington, D. C., April 23, 1957.

Hon. OREN HARRIS,

*Chairman, Committee on Interstate and Foreign Commerce,  
House of Representatives, Washington, D. C.*

DEAR MR. CHAIRMAN: This letter is in reply to your request of January 23, 1957, for the views of this Department with respect to H. R. 2808, a bill to amend section 4 of the Interstate Commerce Act, as amended.

Section 4 (1) of the Interstate Commerce Act, the long- and short-haul clause, prohibits any common carrier subject to part I or part III thereof from charging or receiving any greater compensation for the transportation of persons, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance. The section provides, however, that upon application and after investigation, the Interstate Commerce Commission may in special cases relieve such carriers from this prohibition and from time to time prescribe the extent of such relief. In exercising this authority, the Interstate Commerce Commission may not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed. The section also prohibits such carriers from charging any greater compensation as a through rate than the aggregate of the intermediate rates.

The bill, which was sponsored by the Interstate Commerce Commission, would amend the long- and short-haul clause by authorizing carriers operating over circuitous lines or routes to meet the charges of other such carriers of the same type operating over a more direct line or route, to or from the competitive points, without special permission and subject only to the standards of lawfulness set forth in other provisions of part I and part III of the act. Rates so established could not be considered as evidence of the compensatory character of rates involved in other proceedings. The aggregate-of-intermediates clause would not be affected by the proposal.

The bill no doubt resulted from an Interstate Commerce Commission proceeding, Fourth Section Application No. 28580, *Rates and Charges over Circuitous Routes in the United States*, decided April 26, 1955, wherein all carriers in the United States subject to section 4, part I of the act sought general relief to establish and maintain the same rates via circuitous routes between any two points as those applicable between the same points via more direct routes. Competition between rail transportation and other form of transportation was not involved. The Interstate Commerce Commission denied relief on the basis of lack of statutory authority stating that the matter did not constitute a special case to which its jurisdiction is confined, and that it was impossible in a proceeding of such scope to show that the departure rates are reasonably compensatory.

In its statement of justification for H. R. 2808, the Interstate Commerce Commission stated—

"Experience has shown that the provision in question has been excessively burdensome to all concerned, and has resulted in disproportionate expenditures of time, labor, and funds by both the carriers and the Commission in view of the relatively few instances where denial of section 4 relief has been warranted \* \* \*.

"Elimination of this burdensome provision would enhance the Commission's administrative effectiveness and would enable the carriers to simplify and improve their tariffs to the benefit of all concerned \* \* \*."

The Department believes that H. R. 2808 is a step in the direction of relieving shippers, carriers, and the Interstate Commerce Commission of unnecessary and burdensome procedures. However, we are in favor of liberalizing the fourth section as recommended by the President's Advisory Committee on Transport Policy and Organization, and included in section 4 of H. R. 5521 and H. R. 5522. Under the Advisory Committee's recommendation which retains the general long- and short-haul prohibitions, rail and water common carriers could establish departure rates without prior approval of the Interstate Commerce Commission provided the rates were necessary to meet actual competition and did not result in less than just and reasonable minimum charges. Accordingly, it proposes more extensive procedural relief than that provided by H. R. 2808, for it includes direct route as well as circuitous route competitive situations. There seems to be little difference in principle whether such situations are created by competition between like or unlike carriers, particularly in view of the carrier's initial responsibility to establish reasonable and non-discriminatory rates and the Interstate Commerce Commission's other rate control authorities under the present law or as proposed by the Advisory Committee.

We do not favor inclusion of the proviso prohibiting consideration of rates established over circuitous routes as evidence of the compensatory character of rates involved in other proceedings. Responsible carrier management operating under statutory obligations can be reasonably expected to establish such rates on a compensatory and otherwise lawful basis. Rates so established like other rates would be open to challenge and subject to review by the Commission. They should have the same evidential value in a proceeding before the Commission as any other carrier prescribed and unchallenged rate. Moreover, knowledge that such rates might so be used in evidence would serve as an additional deterrent to the publishing of rates that were not reasonably compensatory.

Although this Department favors revision of the long- and short-haul clause so as to eliminate unnecessary procedural requirements, it believes that the amendments made by H. R. 5521 and H. R. 5522 are better designed to accomplish this purpose than those proposed by H. R. 2808.

We have been advised by the Bureau of the Budget that it would interpose no objection to the submission of this report to your committee.

Sincerely yours,

SINCLAIR WEEKS,  
*Secretary of Commerce.*

#### CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as passed by the Senate, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

## SECTION 4 (1) OF THE INTERSTATE COMMERCE ACT, AS AMENDED

(49 U. S. C. 4 (1))

SEC. 4. (1) It shall be unlawful for any common carrier subject to this part or part III to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through rate than the aggregate of the intermediate rates subject to the provisions of this part or part III, but this shall not be construed as authorizing any common carrier within the terms of this part or part III to charge or receive as great compensation for a shorter as for a longer distance: *Provided*, That upon application to the Commission [such common carrier may in special cases, after investigation,] and after investigation, such carrier, in special cases, may be authorized by the Commission to charge less for longer than for shorter distances for the transportation of passengers or [property;] property, and the Commission may from time to time prescribe the extent to which such designated [common carrier] carriers may be relieved from the operation of the foregoing provisions of this section, but in exercising the authority conferred upon it in this [proviso the] proviso, the Commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed; and no such authorization shall be granted on account of merely potential water competition not actually in existence: *Provided further*, That any such carrier or carriers operating over a circuitous line or route may, subject only to the standards of lawfulness set forth in other provisions of this part or part III and without further authorization, meet the charges of such carrier or carriers of the same type operating over a more direct line or route, to or from the competitive points, provided that rates so established over circuitous routes shall not be evidence on the issue of the compensatory character of rates involved in other proceedings: And provided further, That tariffs proposing rates subject to the provisions of this paragraph requiring Commission authorization may be filed when application is made to the Commission under the provisions hereof, and in the event such application is approved, the Commission shall permit such tariffs to become effective upon one day's notice.



85<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# Union Calendar No. 202

## S. 937

[Report No. 577]

IN THE HOUSE OF REPRESENTATIVES

MAY 23, 1957

Referred to the Committee on Interstate and Foreign Commerce

JUNE 19, 1957

Committed to the Committee of the Whole House on the State of the Union  
and ordered to be printed

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## AN ACT

To amend section 4 of the Interstate Commerce Act, as  
amended.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That section 4 (1) of the Interstate Commerce Act, as  
4       amended (49 U. S. C. 4 (1)), is amended to read as  
5       follows:

6       “(1) It shall be unlawful for any common carrier  
7       subject to this part or part III to charge or receive any  
8       greater compensation in the aggregate for the transportation  
9       of passengers, or of like kind of property, for a shorter than  
10      for a longer distance over the same line or route in the same  
11      direction, the shorter being included within the longer dis-

1 tance, or to charge any greater compensation as a through  
2 rate than the aggregate of the intermediate rates subject to  
3 the provisions of this part or part III, but this shall not be  
4 construed as authorizing any common carrier within the  
5 terms of this part or part III to charge or receive as great  
6 compensation for a shorter as for a longer distance: *Provided*,  
7 That upon application to the Commission and after investiga-  
8 tion, such carrier, in special cases, may be authorized by the  
9 Commission to charge less for longer than for shorter  
10 distances for the transportation of passengers or property,  
11 and the Commission may from time to time prescribe the  
12 extent to which such designated carriers may be relieved  
13 from the operation of the foregoing provisions of this section,  
14 but in exercising the authority conferred upon it in this  
15 proviso, the Commission shall not permit the establishment  
16 of any charge to or from the more distant point that is not  
17 reasonably compensatory for the service performed; and no  
18 such authorization shall be granted on account of merely  
19 potential water competition not actually in existence:  
20 *Provided further*, That any such carrier or carriers operating  
21 over a circuitous line or route may, subject only to the  
22 standards of lawfulness set forth in other provisions of this  
23 part or part III and without further authorization, meet the  
24 charges of such carrier or carriers of the same type operating  
25 over a more direct line or route, to or from the competitive

1 points, provided that rates so established over circuitous  
2 routes shall not be evidence on the issue of the compensatory  
3 character of rates involved in other proceedings: *And pro-*  
4 *vided further*, That tariffs proposing rates subject to the  
5 provisions of this paragraph requiring Commission authoriza-  
6 tion may be filed when application is made to the Commis-  
7 sion under the provisions hereof, and in the event such  
8 application is approved, the Commission shall permit such  
9 tariffs to become effective upon one day's notice."

Passed the Senate May 22, 1957.

Attest: FELTON M. JOHNSTON,  
*Secretary.*

85TH CONGRESS  
1ST SESSION

**S. 937**

[Report No. 577]

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## **AN ACT**

To amend section 4 of the Interstate Commerce  
Act, as amended.

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MAY 23, 1957

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July 1, 1957

17. ADVISORY COMMITTEES. Passed over, on objection by Rep. Cunningham, Iowa, H.R. 7390, to amend the Administrative Expense Act so as to establish standards for certain advisory committees. p. 9537

18. TRANSPORTATION. Passed without amendment S. 937, to amend Sec. 4 of the Interstate Commerce Act so as to eliminate the necessity of ICC approval of certain rate publications. (p. 9537) This bill will now be sent to the President.  
The Interstate and Foreign Commerce Committee reported with amendment H.R. 3233, to amend Sec. 22 of the Interstate Commerce Act so as to provide for transportation of Federal property free or at reduced rates (H. Rept. 677). p. 9579

19. FORESTRY. Passed with <sup>out</sup> amendment S. 45, to authorize the sale to the village of Central, N. Mex., of certain lands administered by the Forest Service which were formerly a part of the Ft. Bayard Military Reservation. A similar bill, H.R. 7520, was laid on the table. (pp. 9538-39) This bill will now be sent to the President.  
Passed without amendment H.R. 3358, to supplement the land grant provisions of the Alaska Mental Health Enabling Act to permit the selection of certain public lands in Alaska; and H.R. 7864, to amend the Act of May 4, 1956 relative to the establishment of public recreational facilities in Alaska. p. 9539

20. PEANUTS. Passed as reported H.R. 6764, to amend the Act of June 24, 1934 so as to delete the requirement for reports from persons owning or operating peanut picking or threshing machines. The language of the bill was then substituted for the language of a similar bill, S. 609, which was passed. H.R. 6764 was laid on the table. p. 6540

21. ACCOUNTING. Passed with amendment H.R. 8195, to facilitate the payment of Government checks. (pp. 9542-43) This bill had been reported with amendment earlier by the Government Operations Committee (H. Rept. 666). (p. 9579)

22. FOREIGN AID. Agreed to S. Con. Res. 30, to print a compilation of studies and reports prepared by the Special Committee to Study the Foreign Aid Program. p. 9544  
Rep. Hiestand urged establishment of a Joint Committee to study the foreign aid program because of the importance of such spending upon inflation and the budget. p. 9570  
Rep. Hosmer urged an adequate mutual security program. pp. 9577-8  
The Foreign Affairs Committee ordered reported with amendments S. 2130, the mutual security authorization bill. p. D602

23. ATOMIC ENERGY. Passed with amendments H.R. 7383, to provide indemnity and liability for nuclear accidents. pp. 9545, 9548, 9550-66

24. SURPLUS COMMODITIES. The Fisheries and Wildlife Subcommittee ordered reported with amendments to the Merchant Marine and Fisheries Committee H.R. 6959, to authorize the use of CCC surplus commodities to augment the food supplies for migratory waterfowl. p. D602

25. RICE. The Rice Subcommittee ordered reported with amendments to the Agriculture Committee H.R. 4709, to provide that rice acreage history not be developed by planters who plant without acreage allotments, and announced that a clean bill is to be introduced. p. D601

26. OLEOMARGARINE. A subcommittee ordered reported with amendments to the Armed Services Committee H.R. 912, to provide for the serving of oleomargarine or margarine in the Navy ration. p. D601

#### ITEMS IN APPENDIX

27. COTTON. Sen. Talmadge inserted an American Cotton Manufacturers Institute, Inc., statement of fundamentals regarding a United States Government cotton policy in which it "enunciated" certain basic provisions which the textile industry believes should be embodied in any new cotton program. pp. A5218-9

28. TRANSPORTATION. Sens. Wiley and Magnuson inserted award winning essays on, "The American Merchant Marine: Its Importance to the American Farmer-Miner-Manufacturer in World Trade." pp. A5220-1, A5256-7

29. FARM PROGRAM. Rep. Gathings inserted an editorial discussing the administration's farm program, and stating that "the strangest phase of the spectacle lies in the fact that Mr. Benson is so obviously concerned about the processors of farm commodities, rather than the farmers themselves." pp. A5222-3  
Rep. Wharton inserted an article, "Says Government Spending Must be Reduced," setting forth the views of a N.Y. local farm bureau unit on the present farm situation and their reaction after "20-years of so-called farm programs." pp. A5223-4

30. PERSONNEL. Reps. Lane and Multer inserted their statements before the House Post Office and Civil Service Committee in support of legislation to provide for increased annuities for retired Federal employees. pp. A5223, A5246-7

31. POULTRY. Extension of remarks of Rep. Burdick in support of legislation for compulsory poultry inspection. pp. A5232-3

32. SECURITY. Sen. Cotton inserted an article analyzing the recommendations of the Commission on Government Security. p. A5243

33. INFLATION. Sen. Thye inserted an article, "Events May Force Action on Inflation" pp. A5243-4

34. INSECTICIDES. Rep. Patman inserted an article, "The Story of Insecticides," outlining the story of chemical insecticides and their effects on the human body. pp. A5244-5

35. STATEHOOD. Extension of remarks of Rep. Miller, Nebr., summarizing the history of Alaska and urging action on proposed Alaska statehood legislation. pp. A5249-51

36. INTEREST RATES; ELECTRIFICATION. Rep. Johnson criticized the proposed increase in REA loans and inserted various Dairyland Power Cooperative resolutions urging "stable and fair interest rates." pp. A5255-6

#### BILLS INTRODUCED

37. WHEAT QUOTAS. H.R. 8455 and H.R. 8456, by Rep. Anfuso, to amend the Agricultural Adjustment Act of 1938, as amended, to exempt certain wheat producers from liability under the act where all the wheat crop is fed or used for seed or food on the farm; to Agriculture Committee.

(2) in which patient care is under the professional supervision of persons licensed to practice medicine or surgery in the State, or, in the case of dental diagnosis or treatment, under the professional supervision of persons licensed to practice dentistry in the State.

(c) "Nonprofit" means owned or operated by one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(d) "Construction" means construction of new buildings, expansion, remodeling, and alteration of existing buildings, and initial equipment of any such buildings (including medical transportation facilities), including architects and engineering fees, but excluding legal fees, the cost of off-site improvements and the cost of the acquisition of land.

SEC. 7. Except as otherwise specifically provided, nothing in this act shall be construed as conferring on any Federal officer or employee the right to exercise any supervision or control over the administration, personnel, maintenance, or operation of any hospital, with respect to which any funds have been or may be expended under this act.

Mr. WILLIAMS of Mississippi. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMS of Mississippi: Page 1, strike out beginning with line 5 down through line 2 on page 2, and insert the following: "August 5, 1954 (68 Stat. 674), with respect to the provision of health services to Indians in any particular area, determines, after consultation with such Indians, that the provision of financial assistance to one or more public or other nonprofit agencies or organizations for the construction of a community hospital constitutes a method of making needed hospital facilities available for such Indians which is more desirable and effective than direct Federal construction"; page 2, line 13, strike out "receiving" and insert "for which"; and in line 14 strike out "from" and insert "is being provided by"; page 3, line 1, after "assure" insert "that the hospital is operated in."

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. I should like to ask the gentleman from Mississippi relative to the Indian health facilities. Does that include plumbing and sewage disposal plants and water plants?

Mr. WILLIAMS of Mississippi. No. This bill deals exclusively with hospital facilities. It permits participation by the Public Health Service in the construction of public and nonprofit hospitals to the extent it is estimated by the Surgeon General that the Indians will require those facilities.

Mr. MILLER of Nebraska. This also applies to use by non-Indians?

Mr. WILLIAMS of Mississippi. I did not get the question.

Mr. MILLER of Nebraska. Will non-Indians also use the hospital facilities?

Mr. WILLIAMS of Mississippi. Oh, yes. Let me give the gentleman an example of what this will cover. We will say, for example, that a city is getting ready to construct a 25-bed hospital. There is an Indian colony in the immediate vicinity, to which the Federal Government is obligated to furnish health care. This bill provides that the Surgeon General may enter into an agreement with the community, estimating the needs of the Indians to be, we will say,

5 beds, and to pay for the additional 5 beds and expand it to a 30-bed hospital. In that way, the five beds will be reserved for use of the Indians.

Mr. MILLER Nebraska. Is it not possible for this project to come under the provisions of the Hill-Burton Act?

Mr. WILLIAMS of Mississippi. That is true.

Mr. MILLER of Nebraska. Is this in excess of the Hill-Burton bill or in addition to it?

Mr. WILLIAMS of Mississippi. This is separate and apart from the Hill-Burton Act.

Mr. MILLER of Nebraska. The reason I raised the question is that for a number of years we have had before our Committee on Interior and Insular Affairs a bill that would put the Public Health Department in the business of building and maintaining sewage disposal plants and so forth for the Indians. The bill now has been referred to the Committee on Interstate and Foreign Commerce, because they felt they could get a little better reception. I will say to the gentleman while I am not favorable to all aspects of the bill, I think the bills that we have had before our committee go entirely too far in allowing the department to build and maintain and supervise sewage plants and water works and so forth for the various tribal Indians throughout the country when we do not extend it to non-Indians. The bills would cost unknown amounts if passed.

The SPEAKER. The question is on the committee amendments.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### IMPROVED METHODS OF STATING BUDGET ESTIMATES

The Clerk called the bill (H. R. 8002) to provide for improved methods of stating budget estimates and estimates for deficiency and supplemental appropriations.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, I object.

#### AMENDING ADMINISTRATIVE EXPENSES ACT OF 1946

The Clerk called the bill (H. R. 7390) to amend the Administrative Expenses Act of 1946, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM, of Iowa. I object, Mr. Speaker.

#### AMENDING SECTION 4 OF THE INTERSTATE COMMERCE ACT

The Clerk called the bill (S. 937) to amend section 4 of the Interstate Commerce Act, as amended.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc., That section 4 (1) of the Interstate Commerce Act, as amended (49 U. S. C. 4 (1)), is amended to read as follows:*

*"(1) It shall be unlawful for any common carrier subject to this part or part III to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through rate than the aggregate of the intermediate rates subject to the provisions of this part or part III, but this shall not be construed as authorizing any common carrier within the terms of this part or part III to charge or receive as great compensation for a shorter as for a longer distance: Provided, That upon application to the Commission and after investigation, such carrier, in special cases, may be authorized by the Commission to charge less for longer than for shorter distances for the transportation of passengers or property, and the Commission may from time to time prescribe the extent to which such designated carriers may be relieved from the operation of the foregoing provisions of this section, but in exercising the authority conferred upon it in this proviso, the Commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed; and no such authorization shall be granted on account of merely potential water competition not actually in existence: Provided further, That any such carrier or carriers operating over a circuitous line or route may, subject only to the standards of lawfulness set forth in other provisions of this part or part III and without further authorization, meet the charges of such carrier or carriers of the same type operating over a more direct line or route, to or from the competitive points, provided that rates so established over circuitous routes shall not be evidence on the issue of the compensatory character of rates involved in other proceedings: And provided further, That tariffs proposing rates subject to the provisions of this paragraph requiring Commission authorization may be filed when application is made to the Commission under the provisions hereof, and in the event such application is approved, the Commission shall permit such tariffs to become effective upon 1 day's notice."*

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### TOLL BRIDGE AT OR NEAR BAUDETTE, MINN.

The Clerk called the bill (S. 1054) to extend the times for commencing and completing the construction of a toll bridge across the Rainy River at or near Baudette, Minn.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc., That the first section of the act entitled "An act to revive and re-enact the act authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River, at or near Baudette, Minn., approved December 21, 1950," approved June 16, 1955 (69 Stat. 159), is amended by striking out "commenced within 2 years and completed within 4 years" and inserting in lieu thereof "commenced within 4 years and completed within 6 years."*

With the following committee amendment:

Page 2, line 3, insert:

"SEC. 2. The amendments made by the first section of this act shall take effect as of June 15, 1957."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### HANDLING OF SHORT PAID AND UNDELIVERABLE MAIL

The Clerk called the bill (H. R. 7910) to revise the laws relating to the handling of short paid and undeliverable mail, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That (a) the Postmaster General shall prescribe by regulation the conditions under which matter mailed without prepayment of the postage required by law to be paid, or without prepayment of the full amount of the postage required by law to be paid, shall be delivered to the addressee, returned to the sender, or otherwise disposed of.

(b) The Postmaster General shall prescribe by regulation from time to time the charges to be collected on delivery for any matter mailed without prepayment of any lawfully required postage or without prepayment of the full amount of the lawfully required postage.

The Postmaster General may waive the collection of any charges when he deems such waiver to be in the best interest of the Government.

SEC. 2. Section 12 (a) of the act of October 30, 1951 (65 Stat. 676; 39 U. S. C. 246f (a)), is amended by inserting before the period at the end thereof a semicolon and the following new paragraph:

"(9) for returning undeliverable letters and parcels from the dead-letter office to the senders."

SEC. 3. Section 26 of the act of March 3, 1879 (20 Stat. 361), as amended (39 U. S. C. 275), is further amended to read as follows:

"SEC. 26. (a) The Postmaster General may issue postage due stamps of such special design and denomination as he deems necessary to be affixed to short paid mail, and such stamps shall be canceled in the same manner as other postage stamps.

(b) Postage due stamps may not be sold by any postmaster nor received by him in repayment of postage or fees for special services.

(c) The Postmaster General may designate agencies of the Department where postage due stamps may be sold for philatelic purposes only."

SEC. 4. Section 3936 of the Revised Statutes, as amended (39 U. S. C. 406), is further amended by striking out the second sentence and inserting, in lieu thereof, the following:

"The Postmaster General shall return to the senders by registered mail all ordinary dead letters containing \$10 or more in cash, and parcels of the first class which apparently contain matter valued at \$10 or more, under such rules and regulations as he may prescribe. The minimum registry fee, in addition to such other fees as the Postmaster General may prescribe, shall be collected at the time of delivery."

SEC. 5. The first section 1 of the act of May 9, 1930 (39 U. S. C. 261), is amended by striking out "15 cents" and by inserting in lieu thereof "25 cents."

SEC. 6. All laws or parts of laws inconsistent with the provisions of this act are here-

by repealed. Such repeal shall include, but shall not be limited to, the following laws and parts of laws which are hereby repealed:

(a) Section 3937 of the Revised Statutes, as amended (39 U. S. C. 407);

(b) Section 3898 of the Revised Statutes (39 U. S. C. 274);

(c) Section 3900 of the Revised Statutes (39 U. S. C. 272);

(d) The semicolon and the clause "but if the publisher of any refused or uncalled-for newspaper or other periodical shall pay the postage due thereon, such newspaper or other periodical shall be excepted from the operation of such regulations," in section 4061 of the Revised Statutes (39 U. S. C. 411);

(e) The second proviso of section 29 of the act of March 3, 1879 (20 Stat. 362) as added by the amendment to such section contained in section 3 of the act of July 5, 1884 (23 Stat. 158; 39 U. S. C. 321); and

(f) The proviso added to section 3 of the act of March 3, 1885 (23 Stat. 387), as amended by the act of January 16, 1889 (25 Stat. 650; 39 U. S. C. 165).

SEC. 7. This act shall be effective on the first day of the third month following the month in which enacted.

With the following committee amendments:

Page 1, strike out lines 3 to 8, inclusive and insert in lieu thereof the following: "That (a) the Postmaster General shall prescribe by regulation the conditions for delivery to the addressee, return to the sender, other disposition, of matter mailed without prepayment of the postage required by law to be paid, or without prepayment of the full amount of the postage required by law to be paid."

Page 2, line 9, immediately after the period insert "Such charges (1) shall be in addition to the payment of lawfully required postage, (2) shall not be adjusted more frequently than once every 2 years, and (3) when adjusted shall equal, as nearly as is practicable, the approximate cost incurred by the Post Office Department with respect to the delivery of such matter and the collection of postage and other lawful charges thereon."

Page 3, line 25, strike out "1."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### CONTRACTS FOR CONDUCT OF CONTRACT POSTAL STATIONS

The Clerk called the bill (H. R. 7907) relating to contracts for the conduct of contract postal stations, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That section 15 of the act entitled "An act to amend the act approved June 25, 1910, authorizing the postal savings system, and for other purposes," approved May 18, 1916 (39 Stat. 163; 39 U. S. C. 161), is hereby amended to read as follows:

"SEC. 15. The Postmaster General may enter into contracts for the conduct of contract stations for a term not exceeding 3 years. Any such contract may be renewed by the Postmaster General, at the same or a lower contract price, for additional terms not exceeding 3 years each unless (1) the Postmaster General finds that such renewal is not in the interest of the United States, or (2) not later than 90 days before the end of any contract term the Post Office Department receives a request in writing that the contract be opened for competitive bidding

at the end of such term. Upon any such finding by the Postmaster General, or upon receipt of any such request, the Postmaster General shall terminate the contract, with respect to which such finding has been made or such request has been received, at the end of the current term and shall advertise for bids thereon in accordance with existing laws relating to the advertising of public contracts and the award thereof on the basis of competitive bidding."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### REIMBURSEMENT TO COUNCIL OF CHEYENNE RESERVATION

The Clerk called the bill (H. R. 5810) to provide reimbursement to the tribal council of the Cheyenne River Sioux Reservation in accordance with the act of September 3, 1954.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated to the Cheyenne River Sioux Tribal Council, Cheyenne Agency, S. Dak., the sum of \$97,580.24. The payment of such sum shall be in full settlement of all claims of the said tribal council against the United States for reimbursement for expenses incurred by it and caused by, or incident to, negotiations which led up to the making and ratification of the agreement between the United States and said tribal council contained in the act of September 3, 1954 (68 Stat. 1191).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### AMENDING PERFORMANCE RATING ACT OF 1950

The Clerk called the bill (S. 1412) to amend section 2 (b) of the Performance Rating Act of 1950, as amended.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.*, That section 2 (b) of the Performance Rating Act of 1950, as amended (5 U. S. C. 2001), is further amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following:

"(13) Civilian officers and members of crews of vessels operated by the Department of the Army and the Department of the Navy."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### SALE OF LAND TO VILLAGE OF CENTRAL, N. MEX.

The Clerk called the bill (H. R. 7520) to authorize the Secretary of Agriculture to sell to the village of Central, State of New Mexico, certain lands administered by him formerly part of the Fort Bayard Military Reservation, N. Mex.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.





Public Law 85-99  
85th Congress, S. 937  
July 11, 1957

AN ACT

71 Stat. 292.

To amend section 4 of the Interstate Commerce Act, as amended.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 (1) of the Interstate Commerce Act, as amended (49 U. S. C. 4 (1)), is 54 Stat. 904. amended to read as follows:*

“(1) It shall be unlawful for any common carrier subject to this part or part III to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through rate than the aggregate of the intermediate rates subject to the provisions of this part or part III, but this shall not be construed as authorizing any common carrier within the terms of this part or part III to charge or receive as great compensation for a shorter as for a longer distance: *Provided*, That upon application to the Commission and after investigation, such carrier, in special cases, may be authorized by the Commission to charge less for longer than for shorter distances for the transportation of passengers or property, and the Commission may from time to time prescribe the extent to which such designated carriers may be relieved from the operation of the foregoing provisions of this section, but in exercising the authority conferred upon it in this proviso, the Commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed; and no such authorization shall be granted on account of merely potential water competition not actually in existence: *Provided further*, That any such carrier or carriers operating over a circuitous line or route may, subject only to the standards of lawfulness set forth in other provisions of this part or part III and without further authorization, meet the charges of such carrier or carriers of the same type operating over a more direct line or route, to or from the competitive points, provided that rates so established over circuitous routes shall not be evidence on the issue of the compensatory character of rates involved in other proceedings: *And provided further*, That tariffs proposing rates subject to the provisions of this paragraph requiring Commission authorization may be filed when application is made to the Commission under the provisions hereof, and in the event such application is approved, the Commission shall permit such tariffs to become effective upon one day's notice.”

Common carriers.  
Charges; long  
and short hauls.

Approved July 11, 1957.





